# Benefits to host organizations from participating in internship programs in Botswana

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Across the globe internship programs have gained the attention of many tertiary institutions. Many researchers have found the internship programs to be beneficial to the students, tertiary institutions and host organizations. The Faculty of Business at the University of Botswana runs an internship program which attaches students to various organizations for a period of ten weeks. This study presents the views of host organizations on their commitment to continue supporting the internship program and the structure of benefits that they get from it. Closed and open-ended questions were used to collect the views and an exploratory factor analysis was used to analyze the responses. The findings suggest that host organizations benefit in four ways: fulfillment of corporate social responsibility, enhancement of corporate image, gaining of new idea, and cost savings. (Asia-Pacific Journal of Cooperative Education, 2014, 15(2), 129-144)

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## INTRODUCTION

Worldwide business schools have designed internship programs which entail attaching students to various organizations so that they can have a practical insight on what they learn theoretically at school. Researchers have argued that internship programs are beneficial to the trio involved in the programs that is, the students, the universities, as well as the host organizations (Abu Bakar, Harun, Yusof, & Tahir, 2011; Beard, 1998; Thompson, 1950; Schambach & Dirks, 2002; Cook, Parker, & Pettijohn, 2004; Henry, Rehwaldt, & Vineyard, 2001; Beck & Halim, 2008). However, most of the research on advantages of internship programs has been done in developed countries which have a larger industrial base and elaborate national policies on industrial attachment (Neill & Mulholland, 2003). There is also a good collaboration between universities and host organizations in the administration of internship programs. In Australia, for example, host organizations are more involved in internships management and selection of students to undergo industrial attachment (Cord, Bowrey, & Clements, 2010). This is not the case in developing countries like Botswana.

Botswana, a Southern African country that gained independence from Britain in 1966, has a mineral-based economy with a fledgling industrial base and a growing number of tertiary students. Most of the tertiary institutions have relatively new internship programs and have not developed meaningful ties with the industry. Full development of internship programs is important for enhancing technical and soft skills of students who are the future workforce. Currently, tertiary institutions are striving to enhance their internship programs in an environment of world-wide economic stagnation which has seen many companies taking a variety of measures such as scaling back their expansion plans, reducing their operations, or even closing their businesses. All these have an impact on internship programs. The Faculty of Business (FOB) at the University of Botswana (UB), for example, has been experiencing a reduction in the number of host organizations that are willing to take interns.

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# Internship Program at the Faculty of Business

The Faculty of Business runs an internship program which attaches students to various organizations for a period of ten weeks during the long vacation. The University of Botswana is the largest tertiary institution in Botswana offering degrees in six specializations: accounting, finance, marketing, management, logistics, business information systems, and tourism and hospitality management. The Faculty of Business' annual enrolment of full-time and part-time students is more than two thousand.

It is mandatory for students in all six degree specializations in FOB to undergo an internship program. The objectives of the internship program in FOB are laid out in the guidelines issued to students and academic supervisors involved in the program in any particular year. The broad objective of the industrial attachment program is to introduce students to the practical aspects of what they learn theoretically. The specific objectives include, among others, preparing students for the world of work, developing ties with the business community, helping students to sharpen their soft-skills and to allow the faculty to gauge the quality of its academic programs. The guidelines further outline the timetable of the program; duties and responsibilities of students, host organization, faculty supervisor and faculty internship program coordinator. They also contain administrative policies and procedures regarding working hours, dress code, and leave of absence of the interns during placement, and grievances procedures. At the end of the attachment, interns are required to submit a report which forms part of the overall assessment of internship performance.

The Faculty of Business has a member of the teaching staff who acts as the coordinator of the internship program. While placement is the responsibility of the coordinator, most students get an internship position by directly applying to the host organizations themselves. It is worth noting here that in Botswana there are fewer host organizations that are willing to take interns compared to the number of available students, making it very competitive for the interns. This is not the case in industrialized countries like the United States of America (USA) (Cummings & Tataman, 2007).

While on internship, each student is assigned a faculty supervisor who is required to regularly visit the student at the place of internship. The visits are for the purpose of ensuring that students are engaged in work that is related to their academic specialization. Log sheets are the monitoring tools, completed weekly by every intern, to indicate the work done in any week. The log sheets are then signed and stamped by the host organization supervisor to signify agreement with what is written. At the end of the internship period the host organization supervisor evaluates each student's performance by completing a student evaluation form. The student writes an internship report to which log sheets and the evaluation report are attached to form the basis of evaluating each student's performance in the internship. The grade given in the assessment contributes to the student's cumulative grade points average (CGPA).

#### RESEARCH OBJECTIVES

Since the introduction of the internship program at FOB, it has been observed that it is progressively becoming more difficult for students to secure internship positions. Several factors could have accounted for this situation. Since 2005 Botswana has experience a proliferation of tertiary institutions which produce business graduates at degree and diploma levels. The number of students admitted to business courses at FOB has also quadrupled.

This has resulted in many students pursuing few internship positions within the country. This study is also being carried out at a time when an economic recession has affected almost all countries in the world including Botswana. This has caused many organizations to reevaluate costs of doing business. Since taking interns could be beneficial as well as costly to host organizations, some host organizations have decided to reduce their costs by reducing the number of interns they take, while a few have completely stopped taking interns. Such decisions have an adverse impact on the internship program run by FOB.

On the background of the aforesaid, this study started by assessing the willingness of host organizations to continue accepting FOB interns in the future. The second objective was to collect views of host organizations regarding the benefits they get from participating in internship programs and summarize them into a simplified structure, in a bid to show how the benefits could be grouped meaningfully.

## LITERATURE REVIEW

Internships are considered a valuable learning experience by students, academics and prospective employers (Beck & Halim, 2008; Cook et al., 2004; Knemeyer & Murphy, 2001; Schambach & Dirks, 2002; Henry et al., 2001). A study by Albrecht and Sack (2000) found that accounting professionals and educators agreed that internships are the best out-of-classroom learning activity. Researchers point out that internship programs are beneficial to organizations that employ the students, the students who seek these opportunities and to the universities that facilitate the success of the programs (Knemeyer & Murphy, 2001). Most of the research output on internship, however, has concentrated on the students' side of internships (Gerken, Rienties, Giesbers, & Könings, 2012). This study aims at understanding in detail the structure of benefits that host organizations get from participating in internship programs. In this section therefore, we will briefly review the literature which discusses the benefits of internship programs to students and universities followed by a detailed discussion of the type of benefits that accrue to host organizations.

#### Benefits to Students

Universities encourage students to participate in internship programs because they believe that there are many benefits that students get in a supervised real life work environment in which they have the opportunity to put theory into practice. However, most of the studies on internship programs have concentrated on the evaluation of the benefits by looking at academic performance of students after attachment (English & Koeppen, 1993; Knechel & Snowball, 1978; Siegel & Rigsby, 1988). These studies have shown that subsequent academic performance of students who return from internship programs tend to be better than those who did not go for internship (English & Koeppen, 1993; Kwong & Lu, 1991; Lucas & Tan, 2007; Maletta, Anderson, & Angelini, 1990; Mandilaras, 2004; Siegel & Rigsby, 1988; Surridge, 2009). Other studies (Knechel & Snowball, 1978; Cord et al., 2010), however, have found little evidence that internship programs help students to perform better in class.

Apart from possible improvement in academic performance another benefit that students get is a chance to acquire some generic employability skills, which help them to easily transition from the learning institution to employment. These employability skills include team-work, relationship building, leadership, human relations, presentation, communication, time management, initiative, enterprise and abilities to problem solve and persuade. The students also improve in their use of technologies, ability to take criticism, and to see the bigger

picture (Andrews & Higson, 2007; Hall, Higson, & Bullivant, 2009; Beard, 1998). Furthermore, according to survey of intern and non-intern business alumni in USA, carried out by Gault, Redington and Schlager (2000), undergraduates with internship experience had significant early career advantages which included less time to find a job, higher wages, and greater job satisfaction. A study by Sandvig, Tyran, and Ross (2005) also showed that internship experience was a more important factor than academic performance in predicting starting salary of information systems graduates. According to Cannon and Arnold (1998), in times of economic recession when job opportunities are hard to come by, students increasingly relied on internships to differentiate themselves from their non-participating counterparts. It seems employers are willing to give employment to a job seeker who has a working experience even if it is in the form of internship attachment.

The link between internship participation and securing of a job sometimes tends to be taken for granted. In a study by Beggs, Ross, and Goodwin (2008) in the US, for example, travel and tourism students expected to be provided with full-time employment at the completion of the internship.

Many students enroll into degree programs without having a clear understanding of the profession they are getting into. Participation in internship programs gives students a chance to know the profession and a possibility of making a final decision on whether they are in the right career path or not (Cord, et al., 2010; Toncar & Cudmore, 2000).

## Benefits to Universities

Many universities know that apart from in-depth knowledge of academic subjects university graduates need to have a broader set of skills which can enhance their prospects of getting employed. In accounting, for example, studies have found out that newly employed accounting graduates have on several occasions highlighted the disparity between skills needed in their career and those developed in their degree programs which tend to put more emphasis on accounting skills and less on complementary skills (Elliot & Jacobson, 2002; Hunton, 2002; Howieson, 2003). One of the roles of internship programs is to provide a way for universities to gauge the employability of their students. In the European Union (EU), for example, employability has been taken as a measure of quality of higher education (Stiwne & Alves, 2010)

In a world characterized by frequent changes in technologies and business processes it is not always easy for universities to know what is happening in the industry. Through participation in real work environments students get to know how deficient they are in certain skills, and also get a chance to learn the use of cutting edge technologies, current business regulations and processes. After internship, students take the knowledge learnt back to universities where they portray it when doing their homework, during class discussions, and through reports that they produce after finishing the internship program (Burnett, 2003).

Apart from being of benefit to students, internship programs give universities a chance to work with the industry. Several administrative and academic staff participate in the internship programs. The internship coordinator scouts for organizations which are willing to accept interns. After getting posted to a particular organization each student is normally visited by academic supervisors. Internship programs therefore help to nurture the development of a mutual relationships between the faculty and host organizations, which in

turn can help in identifying research areas, access to guest lecturers, and opportunities for student field trips (Coco, 2000).

In summary, when universities participate in internship programs they get to know the key employability skills which their students should possess in order to effectively compete in the job market. Students can acquire these skills during attachment but more importantly by being taught at universities. Based on the feedback from students and organizations, universities may decide to enhance their curricula to meet the demands of students and prospective employers (Schambach & Dirks, 2002; Beard, 2007; Burnett, 2003). In a competitive world universities know that it is through producing employable students that they can be able to attract more students into their programs.

# Benefits to Host Organizations

Organizations which accept interns are many and differ in numerous aspects such as size, mission and number of employees. In Botswana, for example, the organizations range from sole proprietorships with very few employees to very large private firms and government owned organizations with tens of thousands of employees. The benefits these organizations get from participating in internship programs can not expected to be the same.

Many researchers have pointed out that there are several benefits that host organizations get from participating in internship programs. Extant literature shows that numerous organizations use internships to recruit new employees (Cook et al, 2004; Beard, 1998). Those organizations which recruit new employees from among interns view it as a cost-effective, low-risk means of evaluating potential future employees (Beard 2007; Bennett, Eagle, Mousley, & Ali-Choudhury, 2008; Ferkins, 2002; Schambach & Dirks, 2002;). Beard (1998) reported further that an organization's ability to recruit and select future employees ranked as the top benefit of internship programs.

As hinted earlier students gain many skills and acquire valuable experience from working in a real-world setting. At the same time host organizations benefit from the knowledge that students transfer from their university experiences. These could be in the area of using information technologies or new ideas and perspectives on how to conduct business (Bennett, et al., 2008; Schambach & Dirks, 2002).

Most students are highly motivated while on an internship job. They work hard and try their best to impress the job supervisors. Some of the students develop products such as websites which can be used by the organization even after the internship is completed. Interns are also used by some organizations as low-cost labor for clearing work backlogs (Morrow, 1995).

A benefit which might be less obvious but nevertheless an important one is that through internship programs host organizations get a chance to fulfil their corporate social responsibilities. The concept of corporate social responsibility (CSR) has been defined in many different ways. Schreuder (1978) defines CSR as the performance or non-performance of certain activities by a private enterprise or corporate organization without the expectation of direct economic gain or loss, for the purpose of improving the social wellbeing of the community or one of its constituents groups. Carroll (1999) offers a four-part definition of CSR to mean that a corporation has economic, legal, ethical and discretionary/philanthropic responsibilities. The author added that while legal responsibilities are enforceable by law and economic and ethical responsibilities are expectations of the society,

discretionary/philanthropic responsibilities are a result of voluntary choice by individual managers.

According to Matten and Crane (2003) activities that demonstrate that an organization is socially responsible or a good corporate citizen cover a wide spectrum that include, among other things, manufacturing products which are free from serious structural defects; careful disposition of industrial wastes without causing ecological disasters; providing equal employment opportunities irrespective of gender, race, or class; and contributing towards solving society's problems in a number of ways such as building old peoples' homes and donating food to the poor. This study considers accepting interns to be one of the acts of fulfilling corporate social responsibility.

Opponents of *corporate social responsibility* point out that an unselfish concern for others does not fit in well with the capitalist idea of economic efficiency and profit maximization, which are largely prevalent in contemporary business life. Friedman (1983), for example, did not see fulfillment of corporate social responsibility as a benefit and argues that business corporations exist for the sole purpose of increasing profits of the firm so that owners can realize a reasonable return on investments. Therefore, engaging in corporate social responsibility is managerial irresponsibility because the duty of solving society's problems is the responsibility of government and not of business organizations. Lantos (2001) was also of the opinion that gratuitous participation in philanthropic activities is a waste of business resources and tends to threaten the ability of businesses to take care of their economic responsibilities.

There is a general view among scholars that engaging in CSR is not purely altruistic but rather a strategic move aimed at achieving a profit. Masaka (2008) raised a question whether CSR activities are motivated by a genuine concern for the welfare of society and the environment they serve or whether they are just a gimmick to enhance corporate image. Moir and Taffler (2004) noted that altruistic philanthropy is rare if it exists at all.

Adherents of rational choice theory, which subscribes to neoclassical economics, posit that the traditional and only real motivator of homo economicus (the 'economic man') is rational self-interest (Boudon, 1998; Hooker, 2013). The economic man is driven by self-interest to maximize his ends in life, his satisfactions, and his expected utilities. According to Haski-Leventhal (2009) the perception of human beings, as rational and economical, underlies most studies of altruism and volunteerism in social sciences. As such every act of altruism is motivated by tangible and perceived benefits that one may gain.

Homans (1958) formulated the exchange theory in which he argued that the theory of rational choice can also be used to explain behavior outside economics which studies exchange of goods. The central idea of exchange theory is that "when two or more people interact, each expects to get something from the interaction that is valuable to him, and is thereby motivated to give something up that is valuable to the others" (Simon, 1978, p. 3). While money is the means of exchange in economic transactions, Homans (1958) posited that approval is the means of exchange in social interactions. Those who support the use of rational choice outside economics argue that "rigor, parsimony, and analytic power of rational choice has prompted sociologists to extend the theory beyond market transactions to exchanges of symbolic and non-tangible resources such as social approval, security, and even love" (Macy & Flache, 1995, p. 74).

## METHODOLOGY AND DATA COLLECTION

A research questionnaire was used to collect data from respondents. It was divided into two parts. The first part was made up of nine questions which collected some demographic data and views of host organizations on how the administration of the internship program could be conducted as well as views on their willingness to continue accepting interns. The second part of the questionnaire was made up of twenty statements designed by the researchers to collect respondents' views on the benefits that host organizations get from the internship program. These statements were created based on literature reviews, informal conversations with organizations, and student internship reports. For each statement respondents were required to indicate their level of agreement on a five point Likert-like scale that was constructed as follows: 1-Strongly Disagree; 2- Disagree; 3-Uncertain; 4-Agree; and 5-Strongly Agree.

The population comprised of 176 organizations that had participated in the internship program in the last three years. A total of 150 organizations were selected as a sample for the study because of the following reasons: the organizations had stopped operating; they had officially indicated that they were not going to continue participating in the program; they were too far from the capital city and would have substantially raised the cost of data collection. A single questionnaire was hand delivered to each of the 150 organizations. The questionnaire was supposed to be completed by a person who had the best knowledge of the internship program. These included human resource managers, training officers, heads of departments and immediate supervisors. Where the person completing the questionnaire did not fall into any of the above groups the position of the respondent had to be indicated. Out of the 150 questionnaires distributed the researchers received 108 completed questionnaires representing a response rate of 72%.

#### **FINDINGS**

Table 1 is divided into two parts: The first part presents the positions of the respondents that participated in the study. It shows that the questionnaires were mostly answered by the students' immediate supervisors (38%), followed by human resource managers or training officers (33.3%) and heads of department or sections (22.2%) where the students were attached. Included in the other group (6.5%) are those who indicated their positions as Managing Director, Director, Head of Station, and Managing Consultant. The second part of the table shows a summary of the type of host organizations that participated in the study. Most of the respondents came from private companies (48.1%), followed by local and central government institutions (28.8%) and parastatals (state-owned corporations) (17.6%).

Willingness to Continue Participating in the Internship Program

Given the difficulties that FOB has been facing in getting internship positions for its students, respondents were asked whether their organizations were willing to continue participating in the internship program. Table 2 shows that more than 90% of the organizations were willing to continue taking internship students from FOB. Because the respondents came from different types of organizations we also wanted to know whether these answers were similar irrespective of the type of the organization. Columns three to six of Table 2 show that the answers were very similar. Further analysis established that there were no statistically significant differences in the responses to the questions based on the type of the organization.

TABLE 1. Demographic characteristics of respondents of survey

| Position of Respondent       | N   | %    |
|------------------------------|-----|------|
| HR Manager/Training Officer  | 36  | 33.3 |
| Head of department/Section   | 24  | 22.2 |
| Immediate supervisor         | 41  | 38   |
| Other                        | 7   | 6.5  |
| Total                        | 108 | 100  |
|                              |     |      |
| Type of Organization         |     |      |
| Local and Central Government | 31  | 28.8 |
| Parastatal Organization      | 19  | 17.6 |
| Private Company              | 52  | 48.1 |
| Other                        | 6   | 5.6  |
| Total                        | 108 | 100  |

Despite the good news, however, most organizations (84.5%) indicated that they are currently getting the maximum number of interns per year with only 15.6% indicating that they did not get enough of them. Given the burgeoning number of students, this is an indication that FOB will have to look for more organizations to participate in the internship program rather than relying on the existing ones.

TABLE 2. Willingness of organizations to continue with the internship program

How willing is your organization to continue participating in the internship program?

|                       |     |         | Local &<br>Central |            | Parastatal |       | Private |       | Other |       |
|-----------------------|-----|---------|--------------------|------------|------------|-------|---------|-------|-------|-------|
|                       | Ov  | Overall |                    | Government |            |       |         |       |       |       |
|                       | N   | %       | N                  | %          | N          | %     | N       | %     | N     | %     |
| Strongly              |     |         |                    |            |            |       |         |       |       |       |
| Willing               | 50  | 46.3    | 14                 | 45.2       | 14         | 73.7  | 20      | 38.5  | 2     | 33.3  |
| Willing               | 48  | 44.4    | 14                 | 45.2       | 3          | 15.8  | 27      | 51.9  | 4     | 66.7  |
| Neutral               | 9   | 8.3     | 3                  | 9.7        | 2          | 10.5  | 4       | 7.7   | 0     | 0.0   |
| Unwilling<br>Strongly | 1   | 0.9     | 0                  | 0.0        | 0          | 0.0   | 1       | 1.9   | 0     | 0.0   |
| Unwilling             | 0   | 0.0     | 0                  | 0.0        | 0          | 0.0   | 0       | 0.0   | 0     | 0.0   |
|                       |     |         |                    |            |            |       |         |       |       |       |
| Total                 | 108 | 100.0   | 31                 | 100.0      | 19         | 100.0 | 52      | 100.0 | 6     | 100.0 |

Benefits That Host Organizations get from the Internship Program

Another objective of this study was to gain an insight into the structure of benefits that host organizations get from participating in internship programs. To understand the structure of benefits an exploratory factor analysis with varimax rotation employing Kaiser Normalization was used. The results produced five factors with eigenvalues greater than or equal to 1.0 and accounted for 69.8% of the total variance. However, the fifth factor had only one item and a decision was made to re-run the factor analysis with four factors as was also

suggested by the scree plot. The wording of the dropped item was: 'Internship program is beneficial to the organization'. The rerun with four factors accounted for 66% of the total variance (Table 3). The huge drop by 4.56% in total variance could be caused by the wording of the dropped item because it did not address a specific benefit. The four factors which represented the benefits that host organizations get from participating in the internship program were identified as: Fulfilling Corporate Social Responsibility (CSR), Gaining New Perspectives and Technologies (NPT), Cost Savings (CS), and Corporate Image Enhancement (CIE). An internal consistency reliability coefficient (coefficient alpha) was calculated to establish the homogeneity of statements within each factor as recommended by Cronbach (1951). Cronbach's coefficient alphas for the four factors were 0.72, 0.75, 0.71, and 0.73, respectively, as shown at the bottom of Table 3.

The correlation analysis of the statements that produced the four factors is shown in Table 4. The correlation matrix shows that the variables which are under corporate social responsibility (CSR) undertakings are positively related to variables in other factors. For example, there is a positive and significant correlation between the variables 'opportunity to contribute to the community' and 'opportunity to enhance corporate image', 'getting new ideas from students', 'opportunity to learn from students', 'opportunity to evaluate potential employees', and 'possibility of reducing recruitment costs'. There is also a positive and significant correlation between the variables 'opportunity to train future entrepreneurs' and two other benefits namely: 'opportunity to learn from each other' and 'opportunity to enhance corporate image'.

## Explanation of Factors

## a. Fulfilling Corporate Social Responsibility

Fulfilling the organization's corporate social responsibility came up as one of the benefits that organizations get from participating in internship programs. This factor accounted for 18.57% of the total variance. Organizations have made fulfilling corporate social responsibilities part of their corporate policies and are willing to continue accepting interns for the foreseeable future. Through their corporate policies organizations contribute to the community by training future entrepreneurs.

## b. Gaining New Perspectives and Technologies

Students can be a source of new ideas on the best ways of running some aspects of the organization as well as the utilization of new technologies such as ICTs in capturing, analyzing, and communicating business data. It is also through internship programs that organizations get the opportunity to assess and recruit some of the best brains. Four statements anchored on this factor and accounted for 18.02% of the total variance.

## c. Cost Savings

When interns are attached to an organization they are expected to learn by doing most of the basic functions in each section according to their specializations. Accounting students, for example, may within the short time of their attachment work in sections such as accounts receivable, accounts payable and payroll. While working in the various sections, interns may help organizations clear work backlogs as well as relieve full-time employees from routine tasks resulting into some cost savings to the organization because otherwise they could have been forced to pay for over-time work or use temporary employees (Morrow, 1995) .Three statements anchored on this factor and accounted for 15.61% of the total variance.

# d. Enhancement of Corporate Image

Corporate image is the picture that the general public may have about an organization. The image may be conveyed through branding, advertising, employees, and public relations efforts. Offering internship positions to university students is one of the ways an organization may use to enhance its corporate image. Internship programs also enable organizations to establish links with universities through sponsoring some university activities or providing guest lecturers. Two statements anchored on this factor and accounted for 13.31% of the total variance.

TABLE 3. Factor analysis of benefits host organizations receive from internship programs

| TABLE 3. Factor analysis of benefits nost organization       | Factors |        |        |        |  |  |
|--|---------|--------|--------|--------|--|--|
| Statement  | CSR     | NPT    | CS     | CIE    |  |  |
| Will Continue Accepting Interns (CSR1)                       | .781    |        |        |        |  |  |
| Opportunity to Train Future Entrepreneurs(CSR2)              | .757    |        |        |        |  |  |
| Is Part of Our Corporate Policy(CSR3)                        | .710    |        |        |        |  |  |
| Opportunity to Contribute to the Community(CSR4)             | .701    |        |        |        |  |  |
| Students Offer New Ideas (NPT1)                              |         | .843   |        |        |  |  |
| Gain New Ideas on Technologies (NPT2)                        |         | .781   |        |        |  |  |
| Opportunity to Evaluate Potential Employees (NPT3)           |         | .651   |        |        |  |  |
| Opportunity to Learn About Each Other (NPT4)                 |         | .592   |        |        |  |  |
| Interns Relieve Full-time Employees from Routine Tasks (CS1) |         |        | .785   |        |  |  |
| Interns Help Clear Some Work Backlogs(CS2)                   |         |        | .759   |        |  |  |
| Interns help Reduce Recruitment Costs(CS3)                   |         |        | .737   |        |  |  |
| Opportunity to Enhance Corporate Image (CIE1)                |         |        |        | .882   |  |  |
| Opportunity to Develop Links with University (CIE2)          |         |        |        | .799   |  |  |
| Reliability (Cronbach coefficient alpha)                     | 0.72    | 0.752  | 0.71   | 0.73   |  |  |
| Mean   | 4.2     | 3.8    | 3.4    | 4      |  |  |
| Standard Deviation   | 0.56    | 0.68   | 0.88   | 0.74   |  |  |
| % age of Variance Explained                                  | 18.577  | 18.021 | 15.613 | 13.314 |  |  |

TABLE 4. Correlations matrix among elements of benefits of internship to host organizations

|      | CSR1   | CSR2   | CSR3   | CSR4   | NPT1   | NPT2   | NPT3   | NPT4   | CS1    | CS2    | CS3    | CIE1   | CIE2  |
|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|
| CSR1 | 1.000  |        |        |        |        |        |        |        |        |        |        |        |       |
| CSR2 | .446** | 1.000  |        |        |        |        |        |        |        |        |        |        |       |
| CSR3 | .560** | .344** | 1.000  |        |        |        |        |        |        |        |        |        |       |
| CSR4 | .338** | .556** | .275** | 1.000  |        |        |        |        |        |        |        |        |       |
| NPT1 | -0.042 | 0.053  | 0.059  | .217*  | 1.000  |        |        |        |        |        |        |        |       |
| NPT2 | -0.018 | 0.085  | 0.103  | 0.114  | .610** | 1.000  |        |        |        |        |        |        |       |
| NPT3 | 0.128  | 0.180  | 0.073  | .226*  | .447** | .304** | 1.000  |        |        |        |        |        |       |
| NPT4 | 0.091  | .265** | 0.113  | .309** | .386** | .330** | .440** | 1.000  |        |        |        |        |       |
| CS1  | -0.025 | 0.002  | -0.081 | -0.033 | 0.021  | 0.070  | 0.150  | 0.171  | 1.000  |        |        |        |       |
| CS2  | -0.129 | -0.013 | -0.155 | -0.169 | 0.078  | 0.079  | 0.100  | 0.192  | .392** | 1.000  |        |        |       |
| CS3  | -0.074 | 0.130  | 0.010  | .220*  | .276** | .277** | .284** | .500** | .447** | .466** | 1.000  |        |       |
| CIE1 | 0.040  | .313** | 0.077  | .211*  | 0.147  | 0.189  | 0.095  | 0.137  | 0.155  | 0.102  | .276** | 1.000  |       |
| CIE2 | 0.111  | 0.167  | 0.165  | 0.171  | .304** | .358** | 0.147  | .227*  | 0.045  | -0.025 | .341** | .572** | 1.000 |

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed); \* Correlation is significant at the 0.05 level (2-tailed).

Table 5 shows that the correlation between cost savings (CS) and gaining of new perspectives and technologies (NPT) is strong and significant while a negative and weak correlation exists between corporate social responsibility (CSR) and cost savings. This suggests that organizations can make some financial savings when interns inject new ideas and new techniques of using technologies. On the other hand organizations suffer financial loss when they engage in corporate social responsibility activities. The table also shows that there is strong and significant correlation between corporate image enhancement (CIE) with the other three factors - CSR, NPT and CS. The positive correlation between CIE and CSR suggests that while fulfilling their corporate social responsibilities organizations also raise their corporate image. The enhancing of corporate image is achieved at reduced cost because the other alternatives which include advertising, branding, and public relations are generally more expensive.

TABLE 5. Correlations among the four factors of benefits of internship to host organizations

|     | CSR    | NPT    | CS    | CIE |
|-----|--------|--------|-------|-----|
| CSR | 1      |        |       | ·   |
| NPT | .234*  | 1      |       |     |
| CS  | -0.029 | .347** | 1     |     |
| CIE | .239*  | .310** | .220* | 1   |

<sup>\*.</sup> Correlation is significant at the 0.05 level (2-tailed).

# Ranking of Benefits of Internship Programs

Further statistical analyses were performed to determine the relative importance of the four benefits which organizations get from internship programs. As indicated above, the statements which produced these results had been coded in such a way that 5 represented completely agree, 4 represented agree, 3 represented uncertain, 2 represented disagree and 1 represented completely disagree.

As shown in Table 6 statistical analysis showed that most respondents agreed that fulfillment of corporate social responsibility was the most important benefit that organizations get from participating in internship programs ( $\bar{X}=4.2$ ) closely followed by enhancement of corporate image ( $\bar{X}=4.0$ ). The least important benefit was cost savings ( $\bar{X}=3.4$ ). Table 6 (column two) shows the summary of the relative importance of internship benefits to host organizations. Analysis of the results according to type of organization indicated that organizations ranked the benefits in the same way. The differences in the mean scores across the groups for all the types of benefits were not found to be statistically significant.

#### DISCUSSION

The results of this study are consistent with the findings of studies by Bennett, et al. (2008); and Morrow (1995). They found that host organizations benefit from participating in internship programs and identified four ways in which this happens: fulfillment of corporate social responsibility; enhancement of corporate image; gaining of new ideas; and, cost

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

| Benefit   | Overa<br>(N=10 |      | Local<br>Centro<br>Gover<br>(N=31 | al<br>nment | Paras<br>(N=19 |      | Privat<br>Comp<br>(N=52 | any  | Other Organi<br>(N=6) | Type of<br>ization |
|---|----------------|------|-----------------------------------|-------------|----------------|------|-------------------------|------|-----------------------|--------------------|
|   | $\overline{X}$ | S.D. | X                                 | S.D.        | $\overline{X}$ | S.D. | X                       | S.D. | $\bar{X}$             | S.D.               |
| Corporate Social<br>Responsibility (CSR)              | 4.2            | 0.56 | 4.1                               | 0.59        | 4.1            | 0.56 | 4.2                     | 0.54 | 4.6                   | 0.41               |
| Enhancement of<br>Corporate Image (ECI)               | 4.0            | 0.74 | 4.0                               | 0.57        | 4.0            | 0.59 | 3.9                     | 0.87 | 4.5                   | 0.63               |
| Gaining New<br>Perspectives and<br>Technologies (NPT) | 3.8            | 0.68 | 3.8                               | 0.62        | 3.8            | 0.85 | 3.9                     | 0.66 | 4.1                   | 0.51               |
| Cost Savings (CS)                                     | 3.4            | 0.88 | 3.4                               | 0.93        | 3.2            | 1.0  | 3.4                     | 0.83 | 3.9                   | 0.79               |

TABLE 6. Ranking of benefits from internship program by host organization

savings. Although the first two benefits came out prominently, most respondents did not mention them in the open ended questionnaire as benefits to their organizations. Most respondents commented that their fulfillment of social responsibility - for example - was a benefit to the nation, the university, and the interns. But as has been argued in the literature review and supported by data analysis fulfilling corporate social responsibility is a benefit to the host organization.

Respondents' answers to the open ended questionnaire showed that most organizations appreciated the contribution interns made in their organizations. Many of the organizations indicated that gaining of new ideas is one of the major benefits from having interns. Some also indicated that they benefit from the direct cost savings, but this did not feature prominently. Below is a selection of some verbatim comments from eight host organizations:

- They are helpful, they are an extra help especially that they are enthusiastic about
  doing the work hands on or practically. A different environment other than the
  classroom excites them. They are always eager to learn the job and apply their skills;
- Interns are hardworking. They share information with permanent employees. They
  motivate workers and challenge them in terms of qualification, making them to work
  harder:
- Interns offer new ideas and perspectives in the workplace. Students and fresh graduates tend to be more aware of current trends in technologies and this is an advantage to the host organization;
- We even employ some of our interns. They already have the basic knowledge of our company, know the other staff = (happy working environment);
- They are an added staff and so help ease workload on hired staff. They bring new ideas to the organization;
- They assist to push work backlogs. They bring fresh ideas from their institution of study (UB);
- UB interns are trainable and they are easy to work with. They indeed add value to our organization; and
- They help grow our prospective employee database. Our organization has benefitted from former interns by employing them permanently after the completion of their studies.

A small number of host organizations have indicated that as much as they gained new ideas from interns, they also wasted the time of full-time employees who train them how to execute their daily tasks.

Many of the host organizations have shown that they are committed to continue with the internship program although most of them do not intend to increase the number of interns they take annually. Lack of office accommodation was cited by most organizations as the major reason why they are not going to increase the number of interns they take with some organizations indicating their intention to reduce them. Given the general enthusiasm of the current host organizations it is clear that it is possible for FOB to secure internship positions for all students in future.

Several respondents indicated that they would like the university to take the internship program more seriously than they are currently doing. Specifically they would like FOB to look for internship positions rather than giving letters to students to go around looking for the positions. Some host organizations, especially government departments, have indicated that there is a great demand for interns because they have a serious shortage of manpower. Host organizations would also like lecturers to regularly visit the students on internship to monitor their progress and discuss pertinent issues with them. Lastly, several organizations are of the opinion that the attachment period of ten weeks is not enough for a student who has never worked before to gain any meaningful experience. Most of them suggested the period of internship should be between three and six months.

#### CONCLUSION

The internship program is beneficial to the university, the students, and the host organizations. In spite of the challenges that the students are now experiencing in securing internship positions, it is clear that host organizations are still willing to continue accepting interns. Although some organizations are not intending to increase the numbers of interns they take annually, some have indicated that they are ready to take more. This is a challenge to the Faculty of Business because some students are currently forced to do desk research because they cannot get internship positions. It can be inferred therefore from the findings of this study that the Faculty needs to go out to look for internship positions for its students as suggested by most of the host organizations rather than leaving this task to the students themselves. This means that there may be a need to consider recruiting a permanent internship coordinator who could give the job a priority.

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